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DEPARTMENT OF COMMERCE

Bureau of Industry and Security

[Docket No. 210902-0176]

RIN 0694-XC083

Notice of Request for Public Comments on Section 232 National Security Investigation of Imports of Neodymium-iron-boron (NdFeB) Permanent Magnets

AGENCY: Bureau of Industry and Security, Office of Technology Evaluation, U.S. Department of Commerce.

ACTION: Notice of request for public comments.

SUMMARY: On September 21, 2021, the Secretary of Commerce (Secretary) initiated an investigation to determine the effects on the national security from imports of neodymium-iron-boron (NdFeB) permanent magnets (sometimes referred to as neodymium magnets, neo magnets, or rare earth magnets). This investigation has been initiated under section 232 of the Trade Expansion Act of 1962, as amended. While the Department is interested in any information related to this investigation that the public can provide, this notice identifies particular issues of significance.

DATES: Interested parties are invited to submit written comments, data, analyses, or other information pertinent to the investigation to the Department of Commerce's (Department) Bureau of Industry and Security by [INSERT DATE 45 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]. The due date for filing comments is [INSERT DATE 45 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISYER].

ADDRESSES: *Submissions:* You may submit comments, identified by docket number BIS 2021-0035 or RIN 0694-XC083, through the *Federal eRulemaking Portal*: <http://www.regulations.gov>. To submit comments via <https://www.regulations.gov>, enter docket number BIS-2021-0035 on the home page and click "search." The site will provide a search results page listing all documents associated with this docket. Find a reference to this notice and click on the link entitled "Comment Now!" (For further information on using <https://www.regulations.gov>, please consult the resources provided on the website by clicking on "How to Use This Site.")

FOR FURTHER INFORMATION CONTACT: David Boylan, Industrial Studies Division, Bureau of Industry and Security, U.S. Department of Commerce, (202) 482-0194, NdFeB232@bis.doc.gov. For more information about the section 232 program, including the regulations and the text of previous investigations, please see www.bis.doc.gov/232.

SUPPLEMENTARY INFORMATION:

Background

On September 21, 2021, the Secretary initiated an investigation under section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. § 1862), to determine the effects on the national security from imports of NdFeB permanent magnets. Numerous critical national security systems rely on NdFeB permanent magnets, including fighter aircraft and missile guidance systems. In addition, NdFeB permanent magnets are essential components of critical infrastructure, including electric vehicles and wind turbines. The magnets are also used in computer hard drives, audio equipment, and MRI devices. If the Secretary finds that NdFeB permanent magnets are being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security, the Secretary shall so advise the President in her report on the findings of the investigation.

Written Comments

This investigation is being undertaken in accordance with part 705 of the National Security Industrial Base Regulations (15 CFR parts 700 to 709) (“NSIBR”). Interested parties are invited to submit written comments, data, analyses, or information pertinent to this investigation to the Department’s Office of Technology Evaluation no later than [INSERT DATE 45 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

The Department is particularly interested in comments and information directed to the criteria listed in § 705.4 of the NSIBR as they affect national security, including the following:

- (i) Quantity of or other circumstances related to the importation of NdFeB permanent magnets;
- (ii) Domestic production and productive capacity needed for NdFeB permanent magnets to meet projected national defense requirements;
- (iii) Existing and anticipated availability of human resources, products, raw materials, production equipment, and facilities to produce NdFeB permanent magnets;
- (iv) Growth requirements of the NdFeB permanent magnets industry to meet national defense requirements and/or requirements for supplies and services necessary to assure such growth including investment, exploration, and development;
- (v) The impact of foreign competition on the economic welfare of the domestic NdFeB permanent magnets industry;
- (vi) The displacement of any domestic NdFeB permanent magnets production causing substantial unemployment, decrease in the revenues of government, loss of investment or specialized skills and productive capacity, or other serious effects;
- (vii) Relevant factors that are causing or will cause a weakening of our national economy;
and
- (viii) Any other relevant factors, including the use and importance of NdFeB permanent magnets in critical infrastructure sectors identified in Presidential Policy Directive 21 (Feb. 12, 2013) (for a listing of those 16 sectors see <https://www.dhs.gov/cisa/critical-infrastructure-sectors>).

Requirements for Written Comments

The <https://www.regulations.gov> website allows users to provide comments by filling in a “Type Comment” field, or by attaching a document using an “Upload File” field. The Department prefers that comments be provided in an attached document. The Department prefers submissions in Microsoft Word (.doc) or Adobe Acrobat (.pdf). If the submission is in an application format other than those two, please indicate the name of the application in the “Type Comment” field. Please do not attach separate cover letters to electronic submissions; rather, include any information that might appear in a cover letter in the comments themselves. Similarly, to the extent possible please include any exhibits, annexes, or other attachments in the same file (as part of the submission itself) rather than in separate files. Comments will be placed in the docket and open to public inspection, except information determined to be confidential as set forth in § 705.6 of the NSIBR. Comments may be viewed on <https://www.regulations.gov> by entering docket number BIS-2021-0035 in the search field on the home page.

Material submitted by members of the public that is properly marked business confidential information and accepted as such by the Department will be exempted from public disclosure as set forth in § 705.6 of the NSIBR. All filers using the portal should use the name of the person or entity submitting comments as the name of their files, in accordance with the instructions below. Anyone submitting business confidential information should clearly identify the business confidential portion at the time of submission, file a statement justifying nondisclosure and referring to the specific legal authority claimed, and also provide a non-confidential version of the submission in a separate file.

For comments submitted electronically containing business confidential information, the file name of the business confidential version should begin with the characters “BC.” Any page containing business confidential information must be clearly marked “BUSINESS CONFIDENTIAL” on the top of that page. The corresponding non-confidential version of those comments must be clearly marked “PUBLIC.” The file name of the non-confidential version should begin with the character “P.” The “BC” and “P” should be followed by the name of the person or entity submitting the comments or rebuttal comments. Any submissions with file names that do not begin with a “BC” or “P” will be assumed to be public and will be made publicly available through <http://www.regulations.gov>.

The Bureau of Industry and Security does not maintain a separate public inspection facility. Requesters should first view the Bureau of Industry and Security webpage, which can be found at <https://efoia.bis.doc.gov/> (see the link to the Index of Documents under the “Electronic FOIA” heading on the webpage). If requesters cannot access the website, they may call 202-482-0795 for assistance. The records related to this assessment are made accessible in accordance with the regulations published in part 4 of title 15 of the Code of Federal Regulations (15 CFR 4.1 et seq.).

Matthew S. Borman,

Deputy Assistant Secretary for Export Administration.

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